

Appendix A: Sample Companies (258 companies from 20 Industries)

Cement: 7 samples		1416	Kwong Fong Ind. Corp.	1716	Yung Shin Pharmaceutical Industrial Co.
Code	Company Name	1418	Tong Hwa Synthetic Fiber Co., Ltd.	1726	Yung Chi Paint & Varnish Mfg. Co., Ltd.
1101	Taiwan Cement Corp.	1419	Shinkong Spinning Co., Ltd.	1729	Pihsiang Machinery Mfg. Co., Ltd.
1102	Asia Cement Corp.	1434	Formosa Taffeta Co., Ltd.	1730	Farcent Enterprise Co., Ltd.
1103	Chia Hsin Cement Corp.	1440	Tainan Spinning Co., Ltd.	1731	Maywufa Co., Ltd.
1104	Universal Cement Corporation	1441	Tah Tong Textile Co., Ltd.	1736	Johnson Health Tech. Co., Ltd.
1108	Lucky Cement Corporation	1446	Hong Ho Precision Textile Co., Ltd.	1737	Taiyen Biotech Co., Ltd.
1109	Hsing Ta Cement Co., Ltd.	1451	Nien Hsing Textile Co., Ltd.	Class, Ceramics: 3 samples	
1110	Southeast Cement Corp.	1455	Zig Sheng Industrial Co., Ltd.	Code	Company Name
Food: 10 samples		1457	Yi Jinn Ind. Co., Ltd.	1807	United Ceramics Co., Ltd.
Code	Company Name	1463	Chyang Sheng Dyeing & Finishing Co., Ltd.	1809	China Glaze Co., Ltd.
1201	Wei Chuan Foods Corporation	1466	Acelon Chemicals & Fiber Corp.	1810	Hocheng Corp.
1203	Ve Wong Corporation	1467	Tex-Ray Industrial Co., Ltd.	Paper, Pulp: 3 samples	
1216	Uni-President Enterprises Corp.	1472	Tri Ocean Textile Co., Ltd.	Code	Company Name
1218	Taisun Enterprise Co., Ltd.	1473	Tainan Enterprises Co., Ltd.	1904	Cheng Loong Corp.
1219	Fwusow Industry Co., Ltd.	Electric, Machinery: 6 samples		1906	Pao Long International Co., Ltd.
1225	Formosa Oilseed Processing Co., Ltd.	Code	Company Name	1909	Long Chen Paper Co., Ltd.
1227	Standard Foods Corporation	1507	Yungtay Engineering Co., Ltd.	Steel, Iron: 14 samples	
1229	Lien Hwa Ind. Corp.	1515	Rexon Ind. Corp. Ltd.	Code	Company Name
1231	Lian Hwa Foods Corp.	1517	Lee Chi Ent. Co., Ltd.	2002	China Steel Corp.
1236	Hunya Foods Co., Ltd.	1520	Fu-Sheng Industrial Co., Ltd.	2007	Yieh Hsing Enterprise Co., Ltd.
Plastics: 11 samples		1522	TYC Brother Industrial Co., Ltd.	2008	Kao Hsing Chang Iron & Steel Corp.
Code	Company Name	1539	Chiu Ting Machinery Co., Ltd.	2009	First Copper Technology Co., Ltd.
1301	Formosa Plastics Corp.	Appliance, Cable: 8 samples		2010	Chun Yuan Steel Industry Co., Ltd.
1303	Nan Ya Plastics Corp.	Code	Company Name	2013	China Steel Structure Co., Ltd.
1304	USI Corp.	1601	Taiwan Fluorescent Lamp Co., Ltd.	2014	Chung Hung Steel Co., Ltd.
1305	China General Plastics Corp.	1603	China Wire & Cable Co., Ltd.	2017	Chia I Industrial Co., Ltd.
1309	Taita Chemical Co., Ltd.	1606	Taiwan Kolin Co., Ltd.	2020	Mayer Steel Pipe Corp.
1310	Taiwan Styrene Monomer Corp.	1608	Hua Eng Wire & Cable Co., Ltd.	2023	Yieh Phui Enterprise Co., Ltd.
1312	Grand Pacific Petrochemical Corp.	1611	China Electric Mfg. Corp.	2024	Chih Lien Industrial Co., Ltd.
1313	UPC Technology Corp.	1612	Hong Tai Electric Ind. Co., Ltd.	2025	Chien Shing Stainless Steel Co., Ltd.

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1314	China Petrochemical Development Corp.	1613	Tai-I Electric Wire & Cable Co., Ltd.	2028	Wei Chih Steel Industrial Co., Ltd.
1316	Sun Yad Technology Co., Ltd.	1618	Hold-Key Electric Wire & Cable Co., Ltd.	2033	Chia Ta World Co., Ltd.
1321	Ocean Plastics Co., Ltd.	Chemical: 12 samples		Rubber: 2 samples	
Textiles: 19 samples		Code	Company Name	Code	Company Name
Code	Company Name	1702	Namchow Chemical Industrial Co., Ltd.	2107	Formosan Rubber Group Co., Ltd.
1408	Chung Shing Textile Co., Ltd.	1707	Grape King Inc.	2109	Hwa Fong Rubber Ind. Co., Ltd.
1409	Shinkong Synthetic Fibers Co., Ltd.	1708	Sesoda Corp.		
1410	Nan-Yang Dyeing & Finishing Co., Ltd.	1714	Ho Tung Chemical Corp.		
1414	Tung Ho Spinning Weaving & Dyeing Co., L	1715	Achem Technology Corp.		

Automobile: 1 sample		2390	EverSpring Industry Co., Ltd.	2484	Siward Crystal Technology Co., Ltd.
Code	Company Name	2394	Premier Image Technology Corp.	2487	Ulead Systems, Inc.
2206	San Yang Industry Co., Ltd.	2397	DFI Inc.	2489	Amtran Technology Co., Ltd.
Electron: 103 samples		2399	Biostar Micortech Int'l Corp.	2492	Walsin Technology Corp.
Code	Company Name	2404	United Integrated Services Co., Ltd.	2497	E-Lead Electronic Co., Ltd.
1437	G.T.M. Corporation	2406	Gigastorage Corp.	3003	K.S. Terminals Inc.
1453	Premier Microelectronics Development Corp.	2409	AU Optronics Corp.	3009	Chi Mei Optoelectronics Corp.
2305	Microtek International Inc.	2410	Cyberhome Entertainment Co., Ltd.	3017	Asia Vital Components Co., Ltd.
2311	Advanced Semiconductor Engineering, Inc.	2411	Phoenixtec Power Co., Ltd.	3024	Action Electronics Co., Ltd.
2312	Kinpo Electronics Inc.	2412	Chunghwa Telecom Co., Ltd.	3026	Holy Stone Enterprise Co., Ltd.
2313	Compeq Manufacturing Co., Ltd.	2413	Universal Microelectronics Co., Ltd.	3028	Zenitron Corp.
2315	MITAC International Corp.	2418	Ya Hsin Industrial Co., Ltd.	3038	Emerging Display Technologies Corp.
2323	CMC Magnetics Corp.	2419	Hitron Technologies Inc.	3045	Taiwan Mobile Co., Ltd.
2325	Siliconware Precision Ind. Co., Ltd.	2423	Good Will Instrument Co., Ltd.	3050	U-Tech Media Corp.
2326	CIS Technology Inc.	2424	Lung Hwa Electronics Co., Ltd.	3052	Apex Science & Engineering Corp.
2327	Yageo Corp.	2426	Tyntek Corp.	3054	Carry Computer Eng. Co., Ltd.
2328	Pan International Industrial Corp.	2427	Mercuries Data Systems Ltd.	3055	Spirox Corp.
2331	Elitegroup Computer Systems Co., Ltd.	2430	Tsann Kuen Enterprise Co., Ltd.	3057	Promise Technology, Inc.
2336	Primax Electronics Ltd.	2432	ETEN Information Systems Co., Ltd.	3058	Leader Electronics Inc.
2337	Macronix International Co., Ltd.	2438	Enlight Corp	4906	GemTek Technology Co., Ltd.
2340	OPTO Tech Corp.	2440	Space Shuttle Hi-Tech. Co., Ltd.	5305	Lite-on Semiconductor Corp.

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2341	Behavior Tech Computer Corp.	2442	Jean Co., Ltd.	6128	General Plastic Industrial Co., Ltd.
2349	Ritek Corporation	2443	Lead Data Inc.	6133	Golden Bridge Electech Inc.
2352	Benq Corp.	2446	Phoenix Precision Technology Corp.	6136	Fullerton Technology Co., Ltd.
2353	Acer Inc.	2448	Epistar Corp.	6139	L&K Engineering Co., Ltd.
2354	Foxconn Technology Co., Ltd.	2450	Senao International Co., Ltd.	6216	DrayTek Corp.
2357	Asustek Computer Inc.	2455	Visual Photonics Epitaxy Co., Ltd.	Construction: 18 samples	
2358	Mag Technology Co., Ltd.	2457	Phihong Technology Co., Ltd.	Code	Company Name
2361	Mustek Systems Inc.	2458	Elan Microelectronics Corp.	2506	Pacific Construction Co., Ltd.
2364	Twinhead International Corp.	2459	Audix Corp.	2509	Chain Qui Development Co., Ltd.
2365	KYE Systems Corp.	2462	Taiwan Line Tek Electronic Co., Ltd.	2515	BES Engineering Corp.
2367	Unitech Printed Circuit Board Corp.	2464	Mirle Automation Corp.	2516	New Asia Construction & Development Corp.
2369	Lingsen Precision Industries, Ltd.	2465	Leadtek Research Inc.	2520	Kindom Construction Corp.
2373	Aurora Corporation	2466	COSMO Electronics Corp.	2524	King's Town Construction Co., Ltd.
2375	Teapo Electronic Corp.	2467	C Sun Mfg. Ltd.	2527	Hung Ching Construction Co., Ltd.
2376	Giga-Byte Technology Co., Ltd.	2471	Ares International Corp.	2528	Crowell Development Corp.
2378	Potrans Electrical Corp.	2472	Lelon Electronics Corp.	2530	Delpha Construction Co., Ltd.
2380	Avison Inc.	2477	Meiloon Industrial Co., Ltd.	2534	Hung Sheng Construction Ltd.
2381	Arima Computer Corp.	2480	Stark Technology Inc.	2535	Da Cin Construction Co., Ltd.
2384	Wintek Corp.	2482	Uniform Industrial Corp.	2536	Hung Poo Real Estate Development Co., Lt
2388	VIA Technologies, Inc.	2483	Excel Cell Electronic Co., Ltd.	2537	Ezplace Co., Ltd.

2538	Kee Tai Properties Co., Ltd.	2825	Central Insurance Co., Ltd.	Other: 18 samples	
2542	Highwealth Construction Corp.	2833	Taiwan Life Insurance Co., Ltd.	Code	Company Name
2546	Kedge Construction Co., Ltd	2836	Bank Of Kaohsiung	2904	Pan Overseas Corp.
2547	Radium Life Tech. Co., Ltd.	2847	Ta Chong Bank Ltd.	9905	Great China Metal Ind. Co., Ltd.
5531	Shining Building Business Co., Ltd.	2849	EnTie Commercial Bank	9906	Corner Corp.
Transportation: 3 samples		2850	Shinkong Insurance Co., Ltd.	9907	Ton Yi Industrial Corp.
Code	Company Name	2852	The First Insurance Co., Ltd.	9908	The Great Taipei Gas Corp.
2601	First Steamship Co., Ltd.	2886	MEGA Financial Holding Company	9911	Taiwan Sakura Corp.
2612	Chinese Maritime Transport Ltd.	2888	Shin Kong Financial Holding Co., Ltd.	9914	Merida Industry Co., Ltd.

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2614	Eastern Media International Corp.	2889	Waterland Financial Holdings	9915	Nien Made Enterprise Co., Ltd.
Tourism: 1 sample		Deperment Stores: 3 samples		9919	Kang Na Hsiung Enterprise Co., Ltd.
Code	Company Name	Code	Company Name	9921	Giant Mfg. Co., Ltd.
2705	Leofoo Development Co., Ltd.	2905	Mercuries & Associates, Ltd.	9922	UB Office Systems Inc.
Banking, Insurance: 15 samples		2906	Collins Co., Ltd.	9926	Shin Hal Gas Corp.
Code	Company Name	2915	Ruentex Industries Limited	9928	China Television Co., Ltd.
2807	Hsinchu International Bank	Security: 1 sample		9929	Choice Lithograph Inc.
2809	Tainan Business Bank	Code	Company Name	9930	China Hi-Ment Corp.
2816	Union Insurance Co., Ltd.	6004	Yuanta Core Pacific Securities Co., Ltd.	9938	Taiwan Paiho Ltd.
2822	The Farmers Bank of China			9943	Holiday Entertainment Co., Ltd.
2823	China Life Insurance Co., Ltd.			9945	Ruentex Development Co., Ltd.

Appendix B: Formulas of the t Statistics for the Parametric Test and the Non-Parametric Test

The formulas of the t statistics for the parametric test and the non-parametric test are as follows:

1. Parametric Test, AR⁵ and SAR⁶

$$t_{AR} = \frac{AR_E}{\frac{1}{N} \sqrt{\sum_{i=1}^N \hat{S}_i^2}} = \frac{AR_E}{\frac{1}{N} \sqrt{\sum_{i=1}^N \frac{1}{(T_i - 1)} \sum_{t=t_1}^{t_2} \left(\hat{\varepsilon}_{it} - \sum_{t=t_1}^{T_i} \frac{\hat{\varepsilon}_{it}}{T_i} \right)^2}} \quad (\text{B1})$$

$$t_{SAR} = \frac{SAR_E}{\sqrt{\text{Var}(SAR_E)}} = \frac{\sum_{i=1}^N SAR_{iE}}{\left[\sum_{i=1}^N \frac{T_i - 2}{T_i - 4} \right]^{\frac{1}{2}}} \quad (\text{B2})$$

2. Parametric Test, CAR and SCAR

$$t_{CAR} = \frac{\sum_{i=1}^N \left[\frac{\sum_{E=t_1}^{t_2} \left(\frac{AR_{iE}}{\hat{S}_i} \right)}{\sqrt{m}} \right]}{\sqrt{N}} \quad (\text{B3})$$

⁵ In (B1), $\hat{\varepsilon}_{it}$ is the error term for firm i at time t ($\hat{\varepsilon}_{it} = R_{it} - E(\hat{R}_{it})$), T_i is the length of estimation period ($T_i = t_2 - t_1 + 1$) for firm i , \hat{S}_i^2 is the variance of error term for firm i in the estimation period

($\hat{S}_i^2 = \sum_{t=t_1}^{t_2} (\hat{\varepsilon}_{it} - \bar{\varepsilon}_{it})^2 / (T_i - 1)$), and $\bar{\varepsilon}_{it}$ is the average of error term for firm i in the estimation period

($\bar{\varepsilon}_{it} = \sum_{t=t_1}^{t_2} \frac{\hat{\varepsilon}_{it}}{T_i}$)

⁶ In (B2), SAR_E is the standardized abnormal return on any day in the event period

($SAR_E = \frac{1}{N} \sum_{i=1}^N SAR_{iE}$), T_i is the length of the estimation period ($T_i = t_2 - t_1 + 1$) for firm i ,

SAR_{iE} is the standardized abnormal return for firm i in the event period

($SAR_{iE} = \frac{AR_{iE}}{\hat{S}_i \sqrt{1 + \frac{1}{T_i} + \frac{(R_{mE} - \bar{R}_{mi})^2}{\sum_{\tau=t_1}^{t_2} (R_{m\tau} - \bar{R}_{mi})^2}}}$).

$$t_{SCAR} = \frac{\sum_{i=1}^N \sum_{E=\tau_1}^{\tau_2} \left(\frac{SAR_{iE}}{\sqrt{m}} \right)}{\left[\sum_{i=1}^N \frac{T_i - 2}{T_i - 4} \right]^{\frac{1}{2}}} \quad (\text{B4})$$

3. Non-Parametric Test, AR and SAR

$$t_{AR} = \left| p - \frac{1}{2} \right| \left[\frac{\left(\frac{1}{2} \right)^2}{N} \right]^{-\frac{1}{2}} \quad t_{SAR} = \left| p - \frac{1}{2} \right| \left[\frac{\left(\frac{1}{2} \right)^2}{N} \right]^{-\frac{1}{2}} \quad (\text{B5})$$

where p is the frequency of positive residuals (i.e., AR or SAR) on any day in the event period.

4. Non-Parametric Test, CAR and SCAR

$$t_{CAR} = \left| p - \frac{1}{2} \right| \left[\frac{\left(\frac{1}{2} \right)^2}{N} \right]^{-\frac{1}{2}} \quad t_{SCAR} = \left| p - \frac{1}{2} \right| \left[\frac{\left(\frac{1}{2} \right)^2}{N} \right]^{-\frac{1}{2}} \quad (\text{B6})$$

where p is the frequency of positive CAR or SCAR between two points of time.